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ABSTRACT

Canadian financial services organizations, and retail banking in particular, are changing rapidly due to the spiraling costs of labor, the influence of computers, and global competition. These changes are especially affecting bank tellers, who will need new skills to adapt to the changing workplace. To develop a timely and relevant training program that could be offered on a national basis, a partnership was formed between the Institute of Canadian Bankers; Humber College (HC), in Ontario; Douglas College (DC), in Vancouver (British Columbia); and College Bois-de-Boulogne (CBB), in Montreal (Quebec). The first phase of the project involved an extensive needs assessment to determine the skills and attributes that would be required by the banking industry. The related attributes were then pulled together into nine course modules, and course materials were developed. The program was implemented at HC in September 1992, enrolling two sections amounting to 60 students. The nine courses are structured into a two-year business program, which includes general education and English courses. At DC, the program also began in September 1992, and 10 of the 11 courses required were business courses. Also, many of the courses in the DC program are transfer courses which may be applied to a four-year degree. Finally, the financial services program at CBB was modified to reflect differences in Quebec's educational system. The program was blended with the three-year technical "stream" that students can choose after completing Grade 10 in the province. (BCY)

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(R)EVOLUTION

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(R)Evolution in Financial Services Education

Change

Canadian financial services organizations, and retail banking in particular, are changing, very, very rapidly. The image of the traditional bank branch, staffed with tellers, an assistant manager and manager, back office staff, plus, at least in some branches, a mortgage or loans specialist, is fast disappearing. In fact, the conventional distinctions between banks, trust companies, insurance companies, stock brokerages and other financial intermediaries are increasingly ignored as financial corporations jockey for position in both traditional and new markets.

Several major forces are driving this change. Included are the spiralling costs of labour, not only in salaries but also in orientation and training costs as people change jobs. Recruiting expenditures, and increasingly sophisticated and expensive benefits packages are also driving labour costs. The influence of computers is another factor, transforming both the interface with the customer and the inner workings of the industry. A third factor, global competition, is perhaps the most powerful of all. Money and information, the two major commodities in the industry, are impossible to contain within borders and protect from external competition, so we see both demand and supply conveniently, continually and effectively ignoring attempts by governments to legislate protectionist safe havens.

In Canada, six domestic chartered banks have dominated (and some would say continue to dominate) the pure banking field. Unlike unit banking, typical in the United States, the major chartered banks in Canada stretch from coast to coast using a framework of branches developed over the past century. For example, the Royal Bank, the largest [measured by assets] of the big six, has 1,661 branches reaching from the Avalon Peninsula in Newfoundland to Vancouver Island. CIBC, another of the big six, has 1,611 branches. Together, the major banks employ approximately 170,000 Canadians. For these banks, change is critical and massive, partly because of their size but also because of their history.

It is estimated that as many as 40% of the employees of the major Canadian banks work as tellers or in teller-like capacities. This employment category is undergoing enormous change. The typical teller has been a member of a low-skilled, largely white female employee group - the front-line, non-unionized fodder for banking organizations. Usually restricted to the most simple job tasks, such as taking deposits, cashing cheques, and processing withdrawals, tellers routinely redirected customers with more sophisticated needs to the assistant manager, loans manager or branch manager. Although low skilled also translated into low paid, the teller group, because of its size, has been an increasingly costly element of traditional banking in Canada. Now, banks are faced with two critical trends: one of these, computerization, has moved many of the traditional teller functions out of the bank and into the arms of the Automated Teller Machine (ATM); the second trend is an increasingly sophisticated customer demanding a far higher level of customer service, including one stop shopping, that banking organizations have, in the past, not delivered. In effect, the demand by customers for traditional teller functions is decreasing, and tellers, for the most part, have not been trained to function at a higher level, which requires the ability to diagnose customer needs and sell the full range of bank products and services. Trust companies in Canada, notably Canada Trust, began to organize branches around a one-stop customer service focus several years ago, and now the banks are, to at least some degree, forced into playing catch-up.

These changes are not occurring overnight; nonetheless, the transformation in the financial services field has been and continues to be dramatic. Currently, banks estimate that customers in their early fifties and older still prefer the human touch, and will line up waiting patiently to make deposits and withdrawals with the assistance of a teller. Younger customers not only find the ATMs faster, studies suggest that they actually prefer to avoid human contact. Branches with a high proportion of younger customers have more ATMs and fewer low-skilled branch personnel. Branches in areas with a high proportion of seniors have more tellers, fewer ATMs, and soft chairs in which the seniors can relax. However, time being a great leveller, the "seniors' branches" have an expected life span of no more than fifteen to twenty years.

Now, and during the next decade, the banks will need to replace their largest employee group with a new wave of tellers. The new teller, more often referred to as a Customer Service Representative (CSR) or Personal Banker (PB), is a very different employee than the traditional teller. First, the banks require far fewer of them, though the numbers are still dramatic. In the Metropolitan Toronto area, it is estimated that the major banks employ 55,000 personnel, the majority of whom fall into the teller group. It has been suggested that the teller group will be replaced on a three to one ratio: where currently there are three tellers, only one CSR will be needed. However, unlike the teller, in order to be successful the CSR will require the skills of a consummate sales person combined with outstanding knowledge of the full range of products and services available through the bank.[1] Further, this range of products and services will grow dramatically as banks increasingly move into direct competition with insurance companies, brokerage firms, and others in the financial services fields. After several decades of being attacked on their own turf, banks now realize that to be successful they will have to move well beyond traditional pastures and go head-to-head with a broader range of competitors.

Many CSRs will be required by major banks in the Toronto area over the next ten to twenty years, which is to say nothing of the needs in other areas of Canada, plus the needs of corresponding financial service organizations such as trust companies, credit unions, and caisse populaires. The training needs are immense.

The Partnership

In 1990, the Institute of Canadian Bankers (ICB), an organization that was created in 1967 and is currently funded by Canada's chartered banks to help meet the training needs of the banks, turned to Canada's community colleges.[2] Specifically, a partnership between ICB, Humber College in Toronto, Douglas College in Vancouver and Collège Bois-de-Boulogne in Montreal was formed. The purpose of the partnership was to develop and implement a timely and relevant training program that

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[1] Although many banks and some other financial service organizations commonly use the terms Customer Service Representative or Personal Banker for some employees in some branches, the abilities and job scope of most of these employees more closely resembles that of the teller than the CSR of the future.

[2] Prior to this, the Institute of Canadian Bankers had partnered exclusively with Universities in order to delivery seminars and courses aimed at the development of senior banking personnel. Working with community colleges on this program was a first for the Institute.

could be later offered on a national basis for the training of CSRs to meet the personnel requirements of Canadian banks into the 21st century.

For a period of one year, an extensive needs assessment, both inductive and deductive, was undertaken primarily by ICB. The goal of this research was to confirm that industry personnel, at all levels of the major organizations, agreed that banking in its traditional form was going to continue to change dramatically and that one of these changes would be the shift from a teller based system to one of CSRs or in-bank sales personnel who would represent a higher order or more complex class of employees, able to sell and cross-sell a wide range of financial products and services and thereby effectively compete with other financial services organizations. Beyond confirmation of this premise, the research provided an opportunity to gather a large quantity of data detailing the skills and attributes that would be required by CSRs in order for them to be effective.

The data gathered during the research phase of the project, subjective as it was in nature, provided a task analysis snapshot (or, given the amount, perhaps more like a full-length video) of the projected CSR role. Near the end of the first year, attributes, skills and knowledge groupings flowed from the task descriptions, and related elements were pulled together in various course modules. Finally, a total of nine courses were identified and the development of course materials began.

	DEVELOPMENT STAGES - FINANCIAL SERVICES PROGRAM			
	NEEDS ASSESSMENT	PROGRAM DESIGN	IMPLEMENTATION	EVALUATION
1990	Inductive Research			
	Deductive Research			
1991		Task Analysis		
		Curriculum Grouping		
1992		Curriculum Design	Marketing & Promotion	
		Development of Course Materials	Organizational Preparedness	
1993				Critique Design & Materials
				Update as Required

The first intake of full-time students in all three colleges was scheduled for September of 1992. In anticipation of this, the colleges developed marketing plans and promotional materials in order to announce the program, educate guidance counsellors and, ultimately, attract applicants. One of the major hurdles at that time was the need to redefine banking careers such that prospective students, and their counsellors, understood the nature of the CSR (primarily a sales position), including the full potential for those who entered the industry at this stage in the overall development. That issue continues to be a major challenge in the marketing of the program.

Education in Canada is a provincial matter. Therefore Canadian community colleges differ greatly in their organization and structure. A major challenge in the development of this initiative was to create a program that could be implemented not only in the three lead colleges but also, at a later stage, in colleges throughout Canada. Further, it was clear from the beginning of the research phase that replacing current employees *en masse* was inappropriate and impractical. The program would have to be structured in such a way that it could serve two purposes: (a) deliver new employees trained to a level well beyond that of current employees; and (b) retrain the best of the current employees to take on the redefined CSR role. The result of the program design phase was a series of nine financial services specific courses.[3] College by college, these nine courses were then integrated into a full time program of studies, typically by combining them with a variety of general business courses, general education courses, and other college specific requirements. Graduates of this pre-employment program receive a diploma in financial services. When taken as a stand-alone set of nine courses by current bank employees, or by others with a background or interest in financial services, graduates receive a certificate in financial services from the provider college and recognition from the ICB. The model is simple, and it is expected that almost any college in Canada will be able to offer either the diploma or certificate after all the courses have been piloted, critiqued and revised.

Implementation at Humber College

Humber is a large, comprehensive urban community college located on the west side of Metropolitan Toronto. Slightly more than 11,000 full-time students and more than 70,000 part-time students enrol each year in programs that include business, technology, health sciences, applied and creative arts, and general arts and sciences. Founded in 1967, Humber has 125 full-time programs and more than 700 full-time faculty. Its size, location, breadth of programming and previous contacts and relationships with the financial services industry made Humber a logical choice for involvement in this program.

The Business Management - Financial Services diploma program at Humber College is well into its second year. After securing provincial approval for the program, the college enrolled two sections (approximately 60 students) in September 1992, and a third section was enrolled in February of 1993. In September 1993 two more sections were enrolled, and a sixth entered in February 1994. This model, which entails enroling two first semester sections in September and one in February, means that, once the inaugural group of students reaches fourth semester, every course will be offered every semester. This scheduling system provides flexibility for students who may wish to transfer in

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[3] The nine financial services courses include: Relationship Banking I & II (customer service courses), Financial Products and Services, Introduction to Personal Finance, Bank Systems and Practices, Introduction to Canadian Financial System, Introduction to Bank Financial Management, Consumer Behaviour and Financial Needs, and Integrative Seminar.

from other programs, for students who are unable to carry a full load, and for students who need to re-enrol in a course. Further, it also allows for a stream of graduates from the program in numbers and at times that are more appropriate to the recruiting needs of the industry. The first group of the program's graduates will complete their program in April 1994.

The program is structured such that the nine industry-specific courses are integrated into a two-year business program. Students move progressively through four semesters, with the number of industry-specific courses increasing as students move towards third and fourth semester. Students are also required to take a number of "generic" business courses[4]. In this way, students receive a broad business education which complements their industry-specific training. Further, provincial regulation requires that students also enrol in General Education courses. Humber College also requires that students complete three English Communications courses. In many cases students receive an exemption from the first level English course based on their performance on a computerized placement test, and in a few cases they are also exempted from the second level course. Rarely, but on occasion, a student is exempted from all three based on computerized test scores and the presentation of a portfolio.

One of the major challenges that faced the college during the start-up phase of the program was recruitment of students. Not only did the college have to promote the program to interested students, but it also had to market a revamped image of banking within student, teacher and guidance counsellor groups. In order to accomplish this goal, the Institute of Canadian Bankers and the college created a Speakers Bureau of bankers who travelled to high schools to talk to students about careers in banking and about the program offered at Humber. In addition, posters advertising the program were displayed in selected bank branches, and Humber high school liaison staff highlighted this program during the course of their regular marketing efforts. The recruitment of suitable students remains a high priority for the college. The Speakers Bureau continues, and the college has also developed marketing materials specific to the program, which are sent out to area high schools and to interested students.

The hiring and training of faculty to teach in the program has also been a major concern for both the college and the Institute. In order to maintain consistency of content and of delivery for the nine industry-specific courses in the program, the Institute requires that all faculty teaching these courses undergo a training program with the ICB. This training program is designed to ensure that faculty understand the structure and rationale of the program, the overall concept of relationship banking, the way in which the courses interrelate, and current trends and practices in the banking industry. Taking part in the training program is a requirement for faculty teaching in the full-time day program and for those who will teach the continuing education portion of the program. Implementation of the continuing education portion of the program in the Toronto area began in the winter of 1994. Humber is encouraging current banking employees, who have appropriate experience, the requisite academic background, and an interest in teaching, to submit applications and resumés for evening adjunct faculty positions. This follows from the college's philosophy that the quality of the learning experience is enhanced by a professor who has "real-life" banking experience. The full-time

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[4] Business courses include Economics, Personal Computing, Business Math, Financial Math, Accounting, Marketing, Human Resource Management and Principles of Management. Students will also take an Introduction to Insurance and Introduction to Investment Funds as business electives in their fourth semester of study.

faculty teaching in the program have been recruited directly from the industry, and the Program Coordinator at Humber was a member of the curriculum development team at the Institute before joining the college.

Humber College has also developed close and direct links with representatives of the Institute's Board of Governors, comprised of senior human resources executives from the major banks. The goal of these relationships is to develop and implement effective recruiting strategies for students in the program. Facilitated by the college, banks receive resumés from all students in the program. At the request of the banks, these are sent directly to senior recruiting personnel. The banks then notify the college which students they want to interview, and recruitment sessions are then scheduled. It is expected that all graduating students will be able to secure positions within banks or other institutions in the financial services' sector. This is in spite of the worst employment climate in many decades! To date, students have found part-time work in a variety of financial institutions, and many have understandings with specific institutions for employment upon graduation. By combining part-time work in the banks with industry developed curricula, graduates of the program have that much sought-after but often elusive mix: industry-specific education ***and*** relevant work experience.

Implementation at Douglas College

Douglas College is located in New Westminster, British Columbia, in the suburbs of Vancouver. With a full-time student body of over 8,000 and a range of over 30 programs, Douglas is a leader in providing relevant and work-ready skills and knowledge to its community. Douglas offers the Financial Services Studies Program within its Business Administration and Commerce Department, and enrolled its first section of students in September 1992. A second section of students was enrolled in September 1993, and Douglas is considering expanding enrolment for this program so that there will be an intake of students every quarter.

The Financial Services Studies Program at Douglas is a two year diploma program, which includes the nine industry-specific courses combined with 11 courses chosen from within the Department of Business Administration and Commerce. Ten of the eleven courses are business courses, in subjects ranging from marketing to accounting to personal computing. Students must enrol in a written communications course in order to graduate from this program. Douglas schedules courses in the full-time day program during the day and in the evening. In this way, full-time faculty teach the evening sessions, and full-time day students have the opportunity to learn and study with current employees of financial institutions.

At Douglas, many of the programs are *university transfer programs*. Students who graduate from a two year diploma program at Douglas may apply those credits towards a four year degree at a British Columbia university. Once all four semesters of the Financial Services Studies Program have been completed, Douglas plans on applying for university transfer status for this program. Should the college receive provincial approval, the Financial Services Studies Program would be granted equivalency with the first two years of study in a Commerce or Business Administration degree program at the University of British Columbia or Simon Fraser University. This university transfer makes the program extremely appealing for potential students, many of whom visualize graduating from the two-year program, working in the industry for a few years, and returning to a university on a full or part-time basis to complete a degree.

The industry-specific curriculum material is complemented by the industry and academic expertise of the faculty at Douglas. The program coordinator was recruited from the banking industry, and many of the faculty have significant experience and contacts in the financial services field. All faculty teaching in the program must undergo training with the Institute of Canadian Bankers in order to augment their mastery of the curriculum and to expose them to current issues in the financial services industry.

Douglas has made a priority of marketing the program to both "traditional" post-secondary students and to employees of financial institutions. Douglas has created a Speakers Bureau of Bankers who travel to local high schools to talk about careers in banking, similar to the program in place at Humber College. Douglas has also created marketing materials specific to the program, including posters and brochures. Further, Douglas has placed advertisements in local community newspapers, and this tool has been very effective in drawing students into the program. Lastly, Douglas has implemented a direct-mail campaign to local financial institutions, informing staff of the program and outlining the benefits of the industry-specific curriculum. In order to qualify for admission to the program, applicants must have at least a C+ average in Grade 11 Math and Grade 12 English, complete a placement test in both English and Math, submit an essay outlining why he/she wants to study in the program, and be interviewed by a faculty committee. This rigorous approach to screening ensures that students in the program posess the right mix of skills and aptitudes, and are committed to a career in the financial services industry.

Douglas College also sits on the local Vancouver Regional Council, the body which promotes and coordinates ICB programs in the Vancouver area. In this way the college receives feedback from bankers on ways in which the college can promote the program to potential students and encourage recruitment of these students for jobs in financial institutions. The entire first cohort of students enrolled in the program obtained summer jobs in financial institutions, and many of these students continue to work with the same institutions on a part-time basis. Douglas also works closely with members of ICB's Board of Governors in managing the recruitment and placement of students for summer, part-time and full time jobs in banks. In general, graduates of the Financial Services Studies Program at Douglas are well-positioned to take advantage of the explosive growth of the Pacific Rim economies and, more specifically, the effect of this growth on the financial services industry in British Columbia.

Implementation at Collège Bois-de-Boulogne

The college system in Quebec is quite different from other provinces in Canada. In Quebec, after completing Grade 10, students attend a CEGEP (collège d'enseignements général et professionel) for three years. Students in the CEGEP may choose to pursue a technical stream or a pre-college stream. The financial services program has been blended with a three-year technical (business stream) at Collège Bois-de-Boulogne. Students who successfully complete the program receive a "diplôme en études commerciales, techniques administratives, option services financiers" (a diploma in business administration, with a specialization in financial services).

Students in the three-year program complete three semesters of business, general education, and communications courses before undertaking any of the industry-specific courses in the program. Currently, there are 13 students who entered their sixth semester of study in January 1994, and who will graduate in May. The college is admitting 21 new students into the program in January, 1994.

The college is marketing the program by visiting high schools in the college's drawing area and making presentations to potential students. In addition, the college and the Institute of Canadian Bankers have developed a poster that is displayed in selected bank branches in the Montreal area. This poster has a tear-off coupon which interested students may fill out and send to the college for more detailed information.

As at Humber and Douglas, Bois-de-Boulogne faculty who teach in the program undergo training designed and delivered by the Institute. Currently, there are eight faculty members who have been trained to teach in the program, and this training will continue for these faculty members and for other faculty who will teach the industry-specific courses in the program.

Benefits of the College Industry Linkage

Benefits received by the various stakeholders in this partnership are numerous. The banks are assured of a motivated, well qualified pool of applicants from which to recruit. These graduates have the mix of skills and knowledge that banks require in order to effectively compete in a rapidly changing environment. Also, having completed a two year training program, the graduates have developed and demonstrated a clear and strong commitment to the industry. In comparison with teller training, which was done almost entirely within the banking community, this programming is paid for in large part by the government and directly by the student through tuition fees.

The colleges involved in this program benefit by being part of a select group of institutions sanctioned to offer the program, and by receiving customized curricula developed by the Institute and industry specialists. Further, the colleges now have the opportunity to build on this experience by forming partnerships with other industries.

The students reap the benefits of studying in a program which has been created by industry, by having an opportunity to work while they study, and by receiving recognition for their study by both the college and the industry association. Many of the faculty have opportunities to update and enhance their skills and knowledge through the training offered by the industry and by developing direct relationships with financial services professionals.

Finally, bank customers benefit in that they will be served by individuals who can assess their needs effectively and who can match those needs to appropriate products and services, all in a timely and professional manner.